

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL EXPRESS &
PRIORITY MAIL CONTRACT 122 (MC2021-60)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2021-62

**USPS NOTICE OF AMENDMENT TO
PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 122,
FILED UNDER SEAL
(July 21, 2021)**

The Postal Service hereby provides notice that the terms of Priority Mail Express & Priority Mail Contract 122, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Express & Priority Mail Contract 122 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective three business days following the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Sean C. Robinson

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Washington, D.C. 20260-1137
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Sean.C.Robinson@usps.gov
July 21, 2021

ATTACHMENT A

REDACTED AMENDMENT TO PRIORITY MAIL EXPRESS & PRIORITY MAIL

CONTRACT 122

AMENDMENT #1
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
PRIORITY MAIL EXPRESS
AND
PRIORITY MAIL SERVICE

WHEREAS, the United States Postal Service (the "Postal Service") and [REDACTED] ("Customer") entered into a Shipping Services Contract, Priority Mail Express & Priority Mail Contract 122/Docket No. CP2021-62, regarding Priority Mail Express and Priority Mail, on December 23, 2020.

WHEREAS, the Parties desire to amend the terms in Sections I.E, I.H and I.K of the Contract, replace Table B in Section I.F.1, replace Priority Mail Contract Package Price Tables 2, 4 and 6 in Section I.I of the Contract.

NOW, THEREFORE, the Parties agree that the Contract is hereby amended as detailed below. The existing Contract remains unchanged in all other respects. This Amendment shall become effective three (3) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.E, I.H and I.K of the Contract, replace Table B in Section I.F.1, replace Priority Mail Contract Package Price Tables 2, 4 and 6 in Section I.I, as follows.]

I. Terms

- E. The Postal Service will provide Customer with the following specialized Priority Mail Boxes:

[REDACTED]

[REDACTED]

The Postal Service may also provide additional standard, specialized and/or customized packaging, at its discretion, for as long as the minimal volume commitment for Tier 1 pricing

is met, pursuant to Table C. The Postal Service will not provide Customer with Priority Mail Express packaging.

F. [Unchanged.]

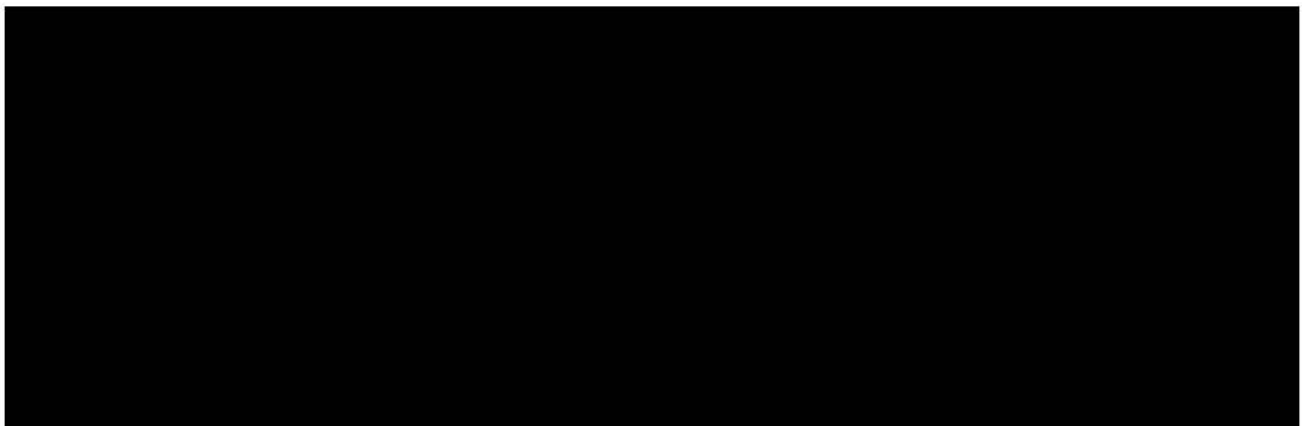
1. [Unchanged.]

Table B

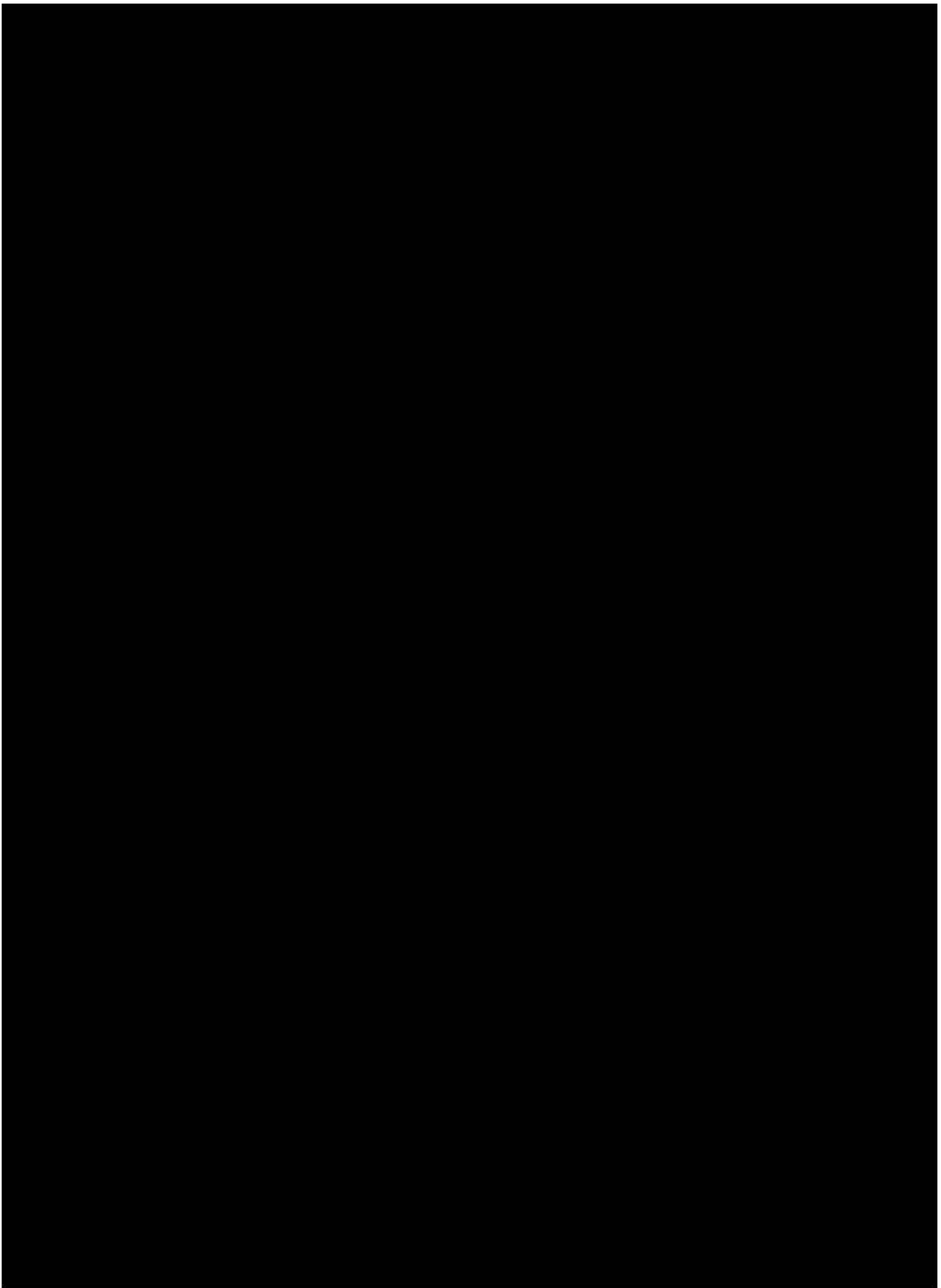
Period Name	Start of Period	End of Period
Quarter 1	January 1 st	March 31 st
Quarter 2	April 1 st	June 30 th
Quarter 3	July 1 st	September 30 th
Quarter 4	October 1 st	December 31 st

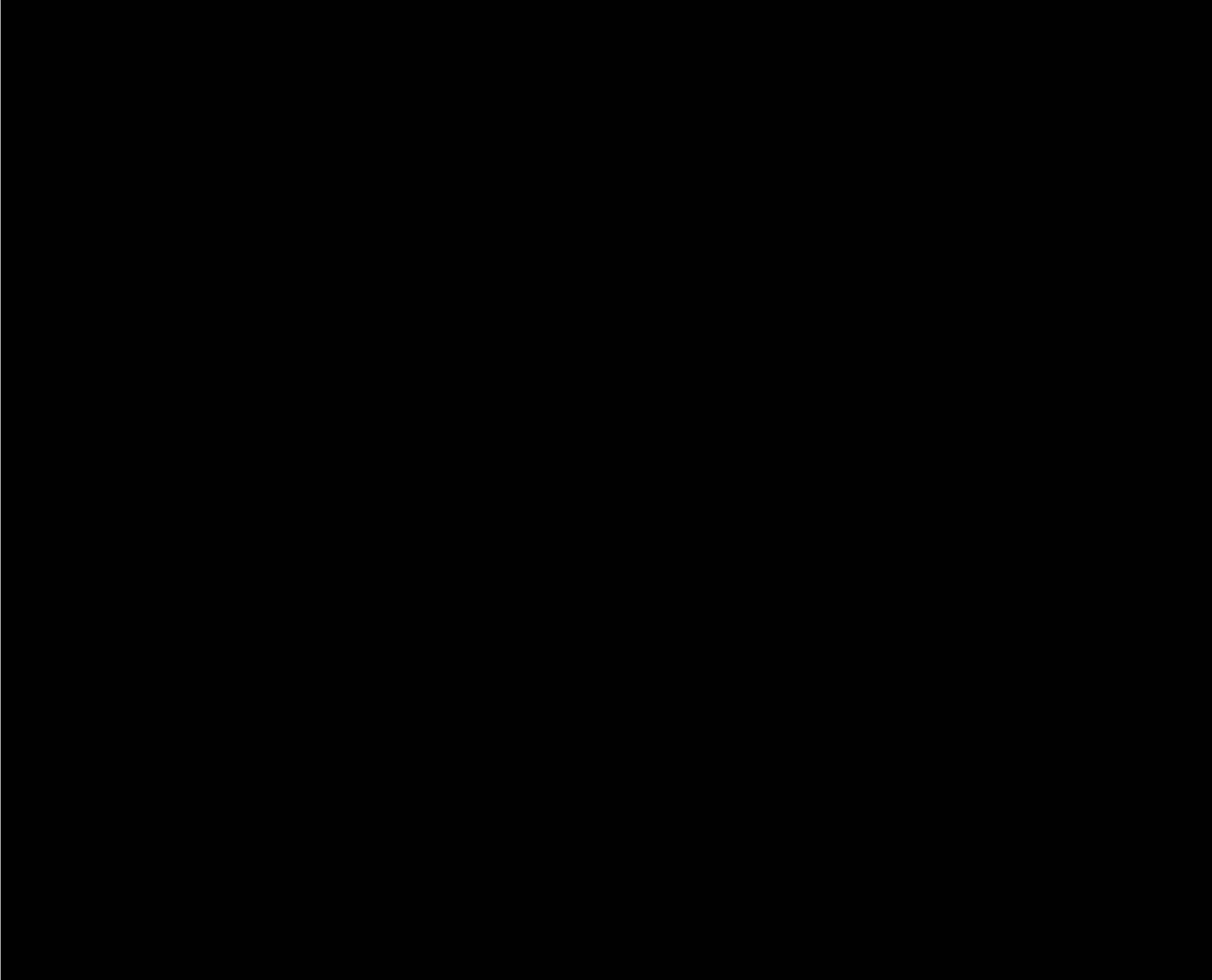
H. Customized prices for this Contract will be based on a rolling four (4) quarter average. Following the Implementation Period, the average will be based on the number of Total Packages shipped divided by the number of full quarters achieved not to include the Implementation Period. At the conclusion of the first four (4) full quarters, following the Implementation Period, pricing for subsequent quarters will be calculated by the number of Total Packages shipped in the previous four (4) quarters divided by four (4). At the conclusion of each Contract Quarter, the Postal Service will calculate the number of Total Packages and the number of applicable quarters to calculate and apply the appropriate rate table within thirty (30) calendar days of the conclusion of that Contract Quarter. The Postal Service will notify Customer, within thirty (30) calendar days after the start of each full Contract Quarter, of the applicable tiered discounts for any Contract Packages shipped during that Contract Quarter. The calculated rate for the new Contract Quarter will become effective within thirty (30) calendar days from the start of the new Contract Quarter. Table D illustrates the method in determining tier level and corresponding prices.

I. Customized Contract Package Price Tables¹



¹ Priority Mail Contract Package prices contained in Tables 2, 4 and 6 will become effective on the Effective Date of this Amendment.



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- K. Quarterly Business Reviews. The Parties shall, within thirty (30) calendar days after the conclusion of each full Contract Quarter in each Contract Year, jointly conduct a business review of Customer's Contract Packages, the agreed-upon locations referred to in Section I.D, and other performance expectations under this Contract either in person, by telecom, or by webinar. If either Party is unable to conduct a business review within thirty (30) calendar days after the conclusion of the above referenced Contract Quarters, it shall notify the other Party in writing (i.e. email or mail) of that fact and propose a date as soon as practicable thereafter.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed as of the later date below:

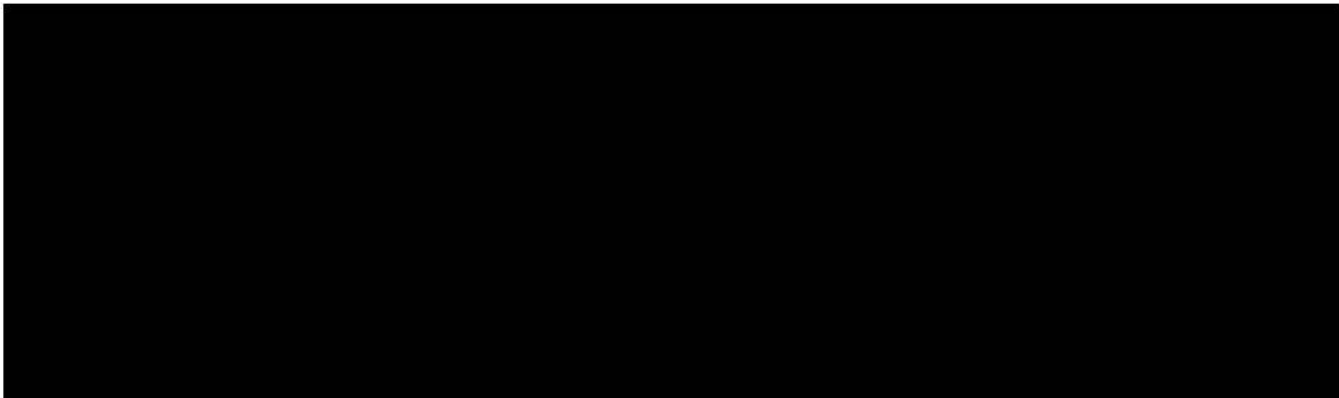
UNITED STATES POSTAL SERVICE

Signed by: *jacqueline kraz strako*

Printed Name: Jacqueline Strako

Title: Chief Commerce & Business Solutions Officer and Executive Vice President

Date: 7/10/2021



ATTACHMENT B
SIGNED CERTIFICATION

**Certification of Prices for Amendment to
Priority Mail Express & Priority Mail Contract 122**

I, Lisa H. Arcari, Director, Domestic Package Pricing, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Express & Priority Mail Contract 122. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 19-1).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**Lisa
Arcari**

Digitally signed
by Lisa Arcari
Date: 2021.07.21
10:40:38 -04'00'

Lisa H. Arcari